

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 3/19/2013	(3) CONTACT/PHONE Courtney Howard, Water Resources Engineer (805) 781-1016	
(4) SUBJECT Request approval of a non-disclosure agreement with the California Department of Water Resources to address non-disclosure of informal State Water Contract extension discussions.			
(5) RECOMMENDED ACTION It is our recommendation that your Honorable Board acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District approve the attached non-disclosure agreement with the California Department of Water Resources (DWR) to address non-disclosure of contract extension discussions between DWR and State Water Project Contractors.			
(6) FUNDING SOURCE(S) State Water Budgets	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP No	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) All Districts -			

Reference: 13MAR19-C-4

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works
Courtney Howard, Water Resources Engineer

VIA: Dean Benedix, Utilities Division Manager

DATE: 3/19/2013

SUBJECT: Request for approval of a non-disclosure agreement with the California Department of Water Resources to address non-disclosure of informal State Water Contract extension discussions.

RECOMMENDATION

It is our recommendation that your Honorable Board acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District approve the attached non-disclosure agreement with the California Department of Water Resources (DWR) to address non-disclosure of contract extension discussions between DWR and State Water Project Contractors.

DISCUSSION

The San Luis Obispo County Flood Control and Water Conservation District (District) has been a State Water Contractor since 1963, when it entered into a long-term water supply contract with the DWR. The District has contracts with eleven local entities (Subcontractors) which allocate a portion of the District's State Water allocation to each (see attached State Water Subcontractors list). The Public Works Department functionally administers the District's contracts.

The DWR has invited the District and all 28 of the other State Water Project (SWP) contractors to participate in informal discussions on issues pertaining to the SWP long-term water supply contracts, which have an expiration date of 2035. The subject considered in these informal discussions will include, but not be limited to, issues related to time extensions and financing related contract amendments. The informal discussions are anticipated to lead to formal negotiations between DWR and the SWP contractors, which are required to be public contract negotiations pursuant to the Monterey Settlement Agreement. As such, DWR is requiring SWP contractors to enter into the attached agreement to ensure discussions are not disclosed to the public prior to the open negotiation process.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed and approved the attached agreement for legal form and effect.

FINANCIAL CONSIDERATIONS

Administration of the State Water Project contracts is included in the FY 12/13 Special Districts budgets for State Water (2300500000 and 2300501000), which are funded by a County-wide assessment and agencies that contract with the District for State Water, respectively.

It is anticipated that financial considerations will be a key component of the informal discussions and formal negotiation process, and will be brought forth for your Board's consideration, as well as Subcontractors' consideration, as appropriate.

RESULTS

The proposed action supports the integrity of a long term contractual obligation which provides a safe and reliable water supply resource to communities in San Luis Obispo County and will provide the Department of Public Works to preview contract extension issues before the formal public process is initiated.

File: CF 950.60.02

Reference: 13MAR19-C-4

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ATTACHMENTS

1. State Water Subcontractors
2. Agreement with the California Department of Water Resources